

COMMITTEE ON GOVERNMENT REFORM

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MEDIA ADVISORY

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Government Reform Committee to Review Security Clearance Backlog and Reciprocity Issues

Delays Increase Costs, Threaten Security Mission

**What: Government Reform Committee oversight hearing:
"What's the Hold Up? A Review of Security Clearance Backlog and Reciprocity
Issues Plaguing Today's Government and Private Sector Workforce"**

When: THURSDAY, May 6, 2004, 10:00 a.m.

Where: ROOM 2154, RAYBURN HOUSE OFFICE BUILDING

Background:

This hearing will focus on security clearances granted to the defense contractor community and how the delays in this process cause major inefficiencies, which eventually lead to higher costs for the taxpayer and ultimately harm national security. This hearing will also delve into the lack of reciprocity between agencies, where one agency refuses to accept the clearance of another agency -- more specifically, how despite executive orders and presidential directives mandating reciprocity, turf battles and trust issues continue to hamper the clearance process, resulting in delays and contributing to the overall backlog.

As the Federal government ramps up its ability to protect our country, it has developed new programs, new technologies, and even new government agencies to deal with the threats appropriately. It is not surprising, then, that the demand for security clearances for both government employees and industry personnel has dramatically increased over the last few years. Unfortunately, the government mechanisms that investigate and adjudicate personnel security clearances have not kept pace with the growing security clearance requests for industry personnel quickly and efficiently. Industry personnel face additional challenges once they have a security clearance from one agency but then need to work on a project on behalf of a different agency. Often

agencies do not recognize clearances granted by their sister agencies, requiring industry personnel to go through the process yet again.

As a result, many defense contractor companies are unable to hire otherwise qualified employees because the security clearance process is requiring, on average, over a year to complete, with all signs pointing to continued increases if something isn't done. Defense contractor companies have responded by hiring, almost always at a substantial premium, already cleared employees from other firms, thus increasing contract costs, which are then passed on to the taxpayer. Ultimately, these backlogs hurt national security. When industry employees are hired to work in security programs but cannot work on projects while they are waiting to be cleared, national security is jeopardized.

As of the end of March 2004, DOD has identified roughly 188,000 backlog cases for industry personnel. To put this number into proper context, DOD has stated that the number of overdue requests for reinvestigations of clearances is unknown, and was believed to have grown from 300,000 in 1986 to 500,000 in 2000. DOD's performance standard for completing security clearance process is 75 days for an initial secret clearance, 120 days for an initial top secret, and 180 days for a reinvestigation top-secret clearance. Yet in fiscal year 2003 it was taking, on average, 375 days for a security clearance to make it through the whole process.

Finally, the Committee is aware that the lack of true reciprocity is a major factor in the backlog. For agencies to deny a transfer just because of "turf" issues is inexcusable. The mandate from Executive Order 12968 (issued in 1995) that background investigations and eligibility determinations would be mutually and reciprocally accepted by all agencies needs to be strictly enforced. Since it is not, legislation mandating reciprocity may be necessary.

Throughout this hearing we will also hear proposals for improvements, not just from the agencies but from our private sector witnesses as well. The Committee hopes to learn about what processes are in place to alleviate some of the backlog the system now faces. Furthermore, what standards are in place where reciprocity may be granted across federal agencies? What metrics exist to measure an agency's compliance with reciprocity requirements? What are DOD and OPM doing to ensure that clearances are granted in a timely manner? What measures have they planned under the e-Gov Initiatives to provide for reciprocity and a reduction of the backlog? What communication is taking place between industry and government to provide for a better understanding on these issues? The Committee also hopes to learn what policy guidance is needed from the Administration/National Security Council in order to provide for reciprocity and cohesiveness between agencies.

WITNESSES

Panel One:

Gregory C. Wilshusen, Acting Director, Defense Capabilities and Management, U.S. General Accounting Office;

Stephen C. Benowitz, Associate Director, Division for Human Resources Products and Services, U.S. Office of Personnel Management;

Heather Anderson, Acting director of Security, Office of the Under Secretary of Defense for Intelligence;

J. William Leonard, Director, Information Security Oversight Office.

Panel Two:

Sudhakar V. Shenoy, Chairman, Northern Virginia Technology Council

Bobbie Kilberg, President, Northern Virginia Technology Council

Douglas Wagoner, Chairman, Intelligence and Security Task Group, Information Technology Association of America

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